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UNCLAS SECTION 01 OF 02 BEIJING 003677

SIPDIS

E.O. 12958: N/A

TAGS: PREL PGOV EAGR VE CH KN JP NZ

SUBJECT: SEPTEMBER 23 MFA PRESS BRIEFING: CHAVEZ CHINA VISIT, MILK SCANDAL, NORTH KOREA NUCLEAR ISSUE, CHINA-JAPAN RELATIONS, U.S. FINANCIAL CRISIS

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- 11. Key points at the September 23 afternoon MFA press briefing were:
- -- China's relationship with Venezuela is a "normal state to state relationship" which is "not based on ideology or directed against any other country."
- -- China has taken a "responsible attitude" regarding the milk scandal and began dealing with the issue immediately after being informed of the problem by the New Zealand Embassy.
- $\mbox{--}$  China has taken note of reports that North Korea has asked to remove IAEA seals.
- -- Healthy bilateral relations are in the interest of Japan and China.
- -- China is monitoring closely the U.S. financial crisis.
- -- China responded quickly to deal with possible food safety issues regarding exports to Japan and the ROK.

#### Visit of Chavez

12. At the September 23 regular MFA press briefing, spokesperson Jiang Yu said that Venezuelan President Hugo Chavez arrived in Beijing. Chavez will meet with Vice Premier Li Keqiang and attend a signing ceremony with President Hu Jintao. Jiang said that the bilateral relationship is based on mutual benefit and joint development. Asked to respond to alleged irritation in the U.S. government over the visit, Jiang said that the bilateral relationship between China and Venezuela is a "normal state to state relationship" which is "not based on ideology or directed against any other country." Jiang had no information about any military cooperation agreement between China and Venezuela.

## Tainted Milk

¶3. China "attaches great importance to food safety" and has "taken a responsible attitude," said Jiang in response to questions about the ongoing milk safety scandal. Jiang said that the New Zealand Embassy informed the Chinese government of the problem on September 9 and an inspection team was sent the same afternoon. The inspection team sent back preliminary test results by the evening of September 9, said Jiang. Jiang noted that all governments face the problem of food safety and China has an "established safety mechanism" which it will "improve in the future." Relevant Chinese authorities are "ready to work with" other countries to resolve the problem.

North Korea

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¶4. Jiang said that China has "taken note" of reports that North Korea has asked to remove IAEA seals at its nuclear facilities. China hopes that "relevant parties strengthen communication, display flexibility and be jointly committed to the early solution of the issue" China also hopes relevant parties will "implement the remaining tasks of the second phase in a comprehensive and balanced way to promote the Six-Party Talks."

## China-Japan Relations

15. Asked for China's opinion of the recent election of Taro Aso to lead Japan's LDP party, Jiang said that it was an internal matter for Japan. Jiang said that healthy relations are in the interest of the two countries. Relations will proceed on the basis of the "four documents" and the "consensus reached by the two leaders."

#### Financial Crisis

16. Though Presidents Bush and Hu Jintao did not discuss the financial crisis during their phone conversation today, China is following the situation closely. China will also strengthen communication with financial institutions and markets and analyze financial markets to strengthen supervision and preventative measures.

Safety of Food Exports to South Korea and Japan

17. Asked about food safety concerns regarding Chinese produced fish feed exported to South Korea and "tofu paste" exported to Japan, Jiang said that the General Administration of Quality Supervision,

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Inspection and Quarantine (AQSIQ) acted immediately to deal with both cases. Jiang said that the AQSIQ first heard of the fish feed problem "from the internet" and immediately afterward began checking fish feed exports. Jiang said that the accused fish feed maker had never exported to the ROK. China has strengthened supervision of animal feed since May, said Jiang. AQSIQ also acted immediately to identify problematic "tofu paste" exported to Japan. Neither tests by the Japanese or Chinese authorities revealed any poisons.

# Space Shuttle Launch

18. Asked to comment on the impending launch of the Shenzhou 7 space shuttle, Jiang said that "outer space is the shared treasure of the human race" and the launch is "part of our effort to make peaceful use of outer space."

ASEM Summit

¶9. Jiang announced that the Asia Europe Meeting (ASEM) will be held in Beijing from September 23-24. The theme for the conference is "vision and action toward a win-win solution." Political, cultural, economic and sustainable development issues will be discussed.

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